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What Texas SNFs Need to Know About PDPM LTC

WED, MAR 26 | 1 PM CT

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Texas Medicaid Coalition

Your Experts

SPEAKERS

Robert Douglas

VP, Revenue Integrity

Cross Healthcare Management

Kelly Roberts

VP, Clinical Reimbursement & Ancillary Services

Creative Solutions in Healthcare

ADDITIONAL PANELISTS

Lori Nabors

Director, Revenue Integrity

Four Cooks Senior Care

Sherri Harris

Director of Reimbursement

Fundamental Clinical and Operational Service

Albert Hoak

CEO/President

Aussie² Squared Consulting

Ethan Tayne

Quality Improvement Consultant

Attendee Poll

Impact of PDPM on your organization…

1. What's your current understanding of Texas' new PDPM LTC Medicaid payment model?
2. How do you think the transition to PDPM will impact reimbursement at your facility?

Texas Medicaid Coalition (TMC)

Introduction

- Established in 2013, Texas Medicaid Coalition (TMC) unites providers, stakeholders, and policymakers to navigate Medicaid regulations and advocate for sustainable solutions.

Mission Statement

- To advocate for sustainable Medicaid reimbursement, collaborate with experts and state agencies to enhance regulatory understanding, and partner with professional organizations and other entities to strengthen advocacy, find solutions, and improve outcomes.

Advocacy

- Engage with state agencies to influence policy, ensure provider stability, and promote fair implementation, oversight, and review of payment processes.

Membership

- Free to join, TMC will be offering quarterly calls for updates. Registration link will be provided in the chat section of this call.

TMC: Disclaimer

Please note:

- This presentation is intended to provide general information regarding the new Texas PDPM LTC Medicaid Payment Model.
- While we strive to ensure the accuracy of the content presented, certain areas remain subject to clarification by the Texas Health and Human Services Commission (HHSC) and the Office of Inspector General (OIG).
- The information shared may evolve as additional guidance is released.
- It is the responsibility of each provider and relevant staff to verify the accuracy and applicability of the material, especially in preparation for the model's implementation date of September 1, 2025.

Learning Objectives

1 Explain the key components of the Texas Medicaid PDPM LTC structure

- Identify the 3 components (Nursing, NTA, and BIMS Add-On) and their relevance to reimbursement.

2 Describe how Patient Characteristics drive reimbursement under PDPM LTC

- Demonstrate understanding of how clinical complexity, functional status, and diagnosis coding impact rates.

3 Interpret the Texas-specific modifications to PDPM compared to the Medicare model

- Recognize differences in classification methodologies and rate calculations.

Introduction to PDPM LTC

- Texas Medicaid will shift from the existing RUGS 34 Payment Model to the PDPM LTC Payment Model starting on Sept. 1, 2025.
- The transition to PDPM Medicare methodology took place in October 2018. PDPM prioritizes the characteristics and conditions of residents over the quantity of services delivered, such as therapy.
- The PDPM LTC Texas Medicaid Methodology is derived from the components of the PDPM framework.

Difference Between PDPM Models

The PDPM Medicare Components comprise five distinct elements.

The PDPM LTC Components Utilize Nursing and NTA components. The criteria remain consistent with PDPM Medicare.

However, a notable distinction for Medicaid is the inclusion of the BIMS Add-on.

Three Components of PDPM LTC

- PDPM LTC will be a 3-digit Case Mix Group CODE
- The Medicaid Payment Rate will be established based on a streamlined version of the following elements of the PDPM
  - 1st Digit = Nursing Component
  - 2nd Digit = NTA (Non-Therapy Ancillary) Component
  - 3rd Digit = BIMS - Severe Cognitive Impairment Add-on

Consistent PDPM Nursing Criteria

SPECIAL CARE HIGH CASE MIX GROUP

If the patient's PDPM Nursing Function Score is 15 or 16, then next classification is Clinically Complex. Skip to the Clinically Complex Category

SPECIAL CARE HIGH QUALIFIERS, DEPRESSION IMPACTS SPECIAL CARE HIGH, GG FUNCTIONAL SCORE 0-14			
B0100, Section GG: Comatose and Dependent in GG Functional Activity			
I2100: Septicemia			
I2900, N0350A, B: Diabetes with BOTH Insulin Injections for 7 days AND Insulin order changes on 2 or more days			
I5100, Section GG: Quadriplegia with GG Score less than or equal to 11			
I6200, J1100C: COPD and SOB while lying flat			
J1550A: Fever and one of the following: 1. Pneumonia I2000 2. Vomiting J1550B 3. Weight Loss (1 or 2) K0300 4. Feeding Tube K0520B1 or K0520B3			
K0520A1 or K0520A3: Parenteral/IV Feedings			
O0400D2: Respiratory Therapy for all 7 days			
DEPRESSION	**SECTION GG FUNCTIONAL SCORE**	**CMG**	**CMI**
Depressed	0-5	HDE2	2.40
Not Depressed	0-5	HDE1	1.99
Depressed	6-14	HBC2	2.24
Not Depressed	6-14	HBC1	1.86

Consistent PDPM NTA Criteria

Condition/Extensive Service	Source	Points
HIV/AIDS	SNF Claim	8
Parenteral Intravenous (IV) Feeding: Level High	MDS Item K0520A1, K0520A3, K0710A3	7
Special Treatments/Programs: Intravenous Medication Post-admit Code	MDS Item O0110H1, O0110H2	5
Special Treatments/Programs: Ventilator or Respirator Post-admit Code	MDS Item O0110F1, O0110F2	4
Parenteral IV feeding: Level Low	MDS Item K0520A1, K0520A3,	3
Lung Transplant Status	MDS Item I8000	3
Special Treatments/Programs: Transfusion Post-admit Code	MDS Item O0110I1a, O0110I1b	2
Major Orgran Transplant Status, Except Lung	MDS Item I8000	2
Multiple Sclerosis Code	MDS Item I5200	2
Opportunistic Infections	MDS Item I8000	2

Various Considerations for PDPM LTC

- PHQ 2-9 scores do not affect the PDPM LTC CMG.
- Restorative nursing has no influence on the PDPM LTC CMG.
- The Section GG Functional Nursing Score affects the Nursing CMG, though its impact is comparatively minor.
- Consider ONLY the GG Items that Impact the Nursing Functional Score

Nursing Components for PDPM LTC

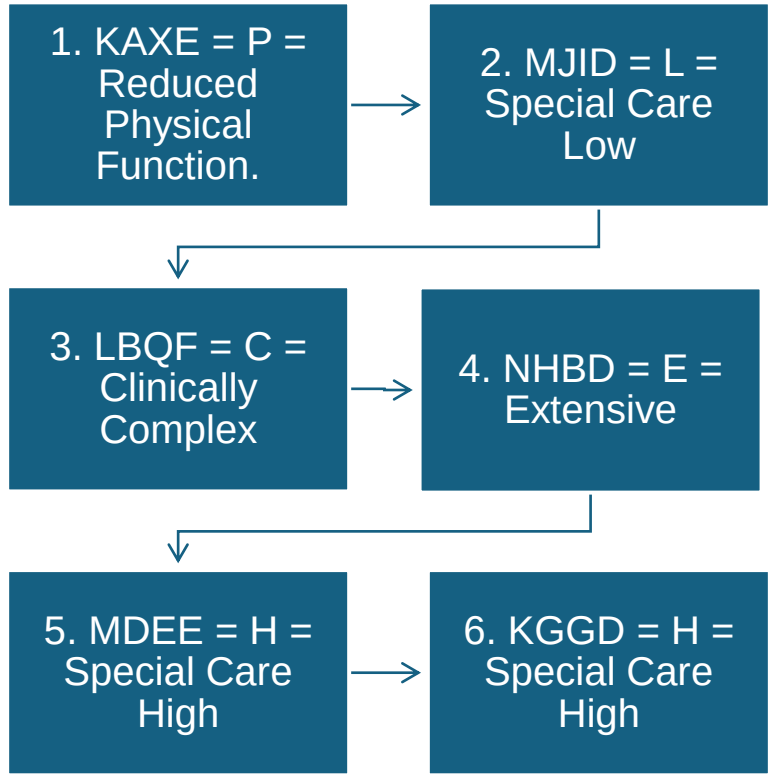
PDPM NURSING CATEGORY	25 PDPM NURSING GROUPS	CONVERT TO 6 PDPM LTC GROUP
Extensive	ES1, ES2, ES3	E
Special Care High	HDE2, HDE1, HBC2, HBC1	H
Special Care Low	LDE2, LDE1, LBC2, LBC1	L
Clinically Complex	CDE2, CDE1, CBC2, CBC1, CA2, CA1	C
Behavioral/Cognitive	BAB2, BAB1, **PDE2, PDE1**	B
Reduced Physical Function	PBC2, PBC1, PA2, PA1	P

PDPM LTC Nursing Component

Nursing Component

PDPM NURSING GROUP	CONVERTS TO PDPM LTC GROUP	PDPM HIPPS Code 3rd Digit = Nursing CMG
ES1, ES2, ES3	E	A, B, C
HDE2, HDE1, HBC2, HBC1	H	D, E, F, G
LDE2, LDE1, LBC2, LBC1	L	H, I, J, K
CDE2, CDE1, CBC2, CBC1, CA2, CA1	C	L, M, N, O, P, Q
BAB2, BAB1, PDE2, PDE1	B	R, S, T, U
PBC2, PBC1, PA2, PA1	P	V, W, X, Y

PDPM HIPPS 3rd Digit Code



PDPM LTC NTA Component

6 PDPM NTA GROUPS and NTA Points	CONVERT TO 3 PDPM LTC GROUP	PDPM HIPPS Code 4TH Digit = NTA CMG
NA, NB 9+ points	1	A, B
NC, ND 3-8 points	2	C, D
NE, NF 0-2 points	3	E, F

BIMS: COGNITIVE IMPAIRMENT ADD-ON

BIMS SCORE ADD-ON CRITERIA	CONVERT TO PAYMENT GROUP
C0500 (BIMS resident interview = 99 or blank, meaning the patient could not complete the interview or the interview was not done) **AND:** **B0100** Comatose = 1 (meaning in a coma) **OR:** **C1000** Impaired cognitive skills = 3 (meaning the patient has severely impaired cognitive skills)	Y
C0500 = BIMS Score 0-15	X

36 PDPM LTC GROUP

PDPM LTC GROUP	PDPM LTC GROUP
E1X	C1X
E1Y	C1Y
E2X	C2X
E2Y	C2Y
E3X	C3X
E3Y	C3Y
H1X	B1X
H1Y	B1Y
H2X	B2X
H2Y	B2Y
H3X	B3X
H3Y	B3Y
L1X	P1X
L1Y	P1Y
L2X	P2X
L2Y	P2Y
L3X	P3X
L3Y	P3Y
	PCE

PDPM LTC Rates *Expect Updated Rates in Summer 25

PDPM Group	Nursing rate component	NTA rate component	Non-Case Mix rate component **	BIMS rate component	Total Rate
B1X	$ 93.86	$ 14.78	$ 51.89	$	$ 160.53
B1Y	$ 93.86	$ 14.78	$ 51.89	$ 12.16	$ 172.69
B2X	$ 93.86	$ 7.73	$ 51.89	$	$ 153.48
B2Y	$ 93.86	$ 7.73	$ 51.89	$ 12.16	$ 165.64
B3X	$ 93.86	$ 4.72	$ 51.89	$	$ 150.47
B3Y	$ 93.86	$ 4.72	$ 51.89	$ 12.16	$ 162.63
C1X	$ 102.23	$ 14.78	$ 51.89	$	$ 168.90
E1X	$ 243.18	$ 14.78	$ 51.89	$	$ 309.85
H1X	$ 147.38	$ 14.78	$ 51.89	$	$ 214.05
L1X	$ 122.91	$ 14.78	$ 51.89	$	$ 189.58
P1X	$ 76.51	$ 14.78	$ 51.89	$	$ 143.18

Calculate a PDPM LTC Group

- PDPM HIPPS:
  - **MJAB**
- PDPM LTC:
  - **E1Y**

PDPM HIPPS * 3rd Digit	PDPM Nursing Group	Converts to Medicaid Payment Group
A, B, C	ES1, ES2, ES3	E
D, E, F, G	HDE2, HDE1, HBC2, HBC1	H
H, I, J, K	LDE2, LDE1, LBC2, LBC1	L
L, M, N, O, P, Q	CDE2, CDE1, CBC2, CBC1, CA2, CA1	C
R, S, T, U	BAB2, BAB1, PDE2, PDE1	B
V, W, X, Y	PBC2, PBC1, PA2, PA1	P
PDPM HIPPS *4th Digit	**PDPM NTA Group**	**Converts to Medicaid Payment Group**
A, B	NA, NB	1
C, D	NC, ND	2
E, F	NE, NF	3
BIMS Add-On	**Converts to Payment Group**	
Severe Cognitive Impairment Criteria Met	Y	
0-15 BIMS SCORE	X	

Aspects of Medicaid Systems That Require Attention

1. Are you conducting Clinical Level of Care Meetings?
   - Ensure that you review the PDPM LTC MDS items that need attention.
   - What considerations should be made when transitioning from RUGS to PDPM LTC?
2. Assess the necessary documentation changes in your UDAs, progress notes, and related materials to accurately capture and code the PDPM LTC items influencing Medicaid reimbursement.
3. Keep in mind that Medicaid Billers will require training on the key aspects of the new PDPM LTC Medicaid methodology.
4. Examine the different software systems that will be impacted by the new PDPM LTC model.

Texas HHS PDPM LTC Website

- https://pfd.hhs.texas.gov/long-term-services-supports/nursing-facility/patient-driven-payment-model-long-term-care-rate-setting-methodology-nursing-facilities

Webinar: Overview of the Proposed Nursing Facility Patient Driven Payment Long-Term Care (PDPM LTC) Rate Methodology.

View the April 12, 2024 Webinar Recording (.wmv)

View the April 12, 2024 Webinar Presentation (.pdf)

PDPM LTC Overview 4-12-24 Webinar-FAQ (.pdf)

Texas HHS Provider Finance

- https://pfd.hhs.texas.gov/long-term-services-supports/nursing-facility-nf

Payment Rate Information

Effective September 1, 2025 (.pdf)

Effective September 1, 2023 (.pdf)

Effective June 10, 2023-August 31, 2023 (.pdf)

Texas Nursing Facility (NF) Medicaid Rates

New Payment Rates Effective September 1, 2025

PDPM Group	Bill Code *	Service Group	Service Code	Unit	Nursing rate component	NTA rate component	Non-Case Mix rate component **	BIMS rate component (5% of the highest Nursing Group rate)	Total Rate, effective 9/1/2025 ***
B1X	PD005	1	1	1 day	$ 93.86	$ 14.78	$ 51.89	$ -	$ 160.53
B1Y	PD023	1	1	1 day	$ 93.86	$ 14.78	$ 51.89	$ 12.16	$ 172.69
B2X	PD011	1	1	1 day	$ 93.86	$ 7.73	$ 51.89	$ -	$ 153.48
B2Y	PD029	1	1	1 day	$ 93.86	$ 7.73	$ 51.89	$ 12.16	$ 165.64
B3X	PD017	1	1	1 day	$ 93.86	$ 4.72	$ 51.89	$ -	$ 150.47
B3Y	PD035	1	1	1 day	$ 93.86	$ 4.72	$ 51.89	$ 12.16	$ 162.63
C1X	PD004	1	1	1 day	$ 102.23	$ 14.78	$ 51.89	$ -	$ 168.90
C1Y	PD022	1	1	1 day	$ 102.23	$ 14.78	$ 51.89	$ 12.16	$ 181.06
C2X	PD010	1	1	1 day	$ 102.23	$ 7.73	$ 51.89	$ -	$ 161.85
C2Y	PD028	1	1	1 day	$ 102.23	$ 7.73	$ 51.89	$ 12.16	$ 174.01
C3X	PD016	1	1	1 day	$ 102.23	$ 4.72	$ 51.89	$ -	$ 158.84
C3Y	PD034	1	1	1 day	$ 102.23	$ 4.72	$ 51.89	$ 12.16	$ 171.00
E1X	PD001	1	1	1 day	$ 243.18	$ 14.78	$ 51.89	$ -	$ 309.85
E1Y	PD019	1	1	1 day	$ 243.18	$ 14.78	$ 51.89	$ 12.16	$ 322.01
E2X	PD007	1	1	1 day	$ 243.18	$ 7.73	$ 51.89	$ -	$ 302.80
E2Y	PD025	1	1	1 day	$ 243.18	$ 7.73	$ 51.89	$ 12.16	$ 314.96
E3X	PD013	1	1	1 day	$ 243.18	$ 4.72	$ 51.89	$ -	$ 299.79
E3Y	PD031	1	1	1 day	$ 243.18	$ 4.72	$ 51.89	$ 12.16	$ 311.95
H1X	PD002	1	1	1 day	$ 147.38	$ 14.78	$ 51.89	$ -	$ 214.05
H1Y	PD020	1	1	1 day	$ 147.38	$ 14.78	$ 51.89	$ 12.16	$ 226.21
H2X	PD008	1	1	1 day	$ 147.38	$ 7.73	$ 51.89	$ -	$ 207.00
H2Y	PD026	1	1	1 day	$ 147.38	$ 7.73	$ 51.89	$ 12.16	$ 219.16
H3X	PD014	1	1	1 day	$ 147.38	$ 4.72	$ 51.89	$ -	$ 203.99
H3Y	PD032	1	1	1 day	$ 147.38	$ 4.72	$ 51.89	$ 12.16	$ 216.15
L1X	PD003	1	1	1 day	$ 122.91	$ 14.78	$ 51.89	$ -	$ 189.58
L1Y	PD021	1	1	1 day	$ 122.91	$ 14.78	$ 51.89	$ 12.16	$ 201.74
L2X	PD009	1	1	1 day	$ 122.91	$ 7.73	$ 51.89	$ -	$ 182.53
L2Y	PD027	1	1	1 day	$ 122.91	$ 7.73	$ 51.89	$ 12.16	$ 194.69
L3X	PD015	1	1	1 day	$ 122.91	$ 4.72	$ 51.89	$ -	$ 179.52
L3Y	PD033	1	1	1 day	$ 122.91	$ 4.72	$ 51.89	$ 12.16	$ 191.68
P1X	PD006	1	1	1 day	$ 76.51	$ 14.78	$ 51.89	$ -	$ 143.18
P1Y	PD024	1	1	1 day	$ 76.51	$ 14.78	$ 51.89	$ 12.16	$ 155.34
P2X	PD012	1	1	1 day	$ 76.51	$ 7.73	$ 51.89	$ -	$ 136.13
P2Y	PD030	1	1	1 day	$ 76.51	$ 7.73	$ 51.89	$ 12.16	$ 148.29
P3X	PD018	1	1	1 day	$ 76.51	$ 4.72	$ 51.89	$ -	$ 133.12
P3Y	PD036	1	1	1 day	$ 76.51	$ 4.72	$ 51.89	$ 12.16	$ 145.28
PCE	PD038	1	1	1 day	$ 76.51	$ 4.72	$ 51.89	$ -	$ 133.12
Z01	PD037	1	1	1 day	$ 76.51	$ 4.72	$ 51.89	$ -	$ 133.12

Page 1 of 4

Respiratory Therapy Training

The Clinical Impact of a Respiratory Therapy Program

Learning Objectives

- **Understand the rationale** behind Texas's transition to the PDPM LTC Medicaid payment model.
- Recognize the **value of a standardized respiratory therapy training** program and its role in improving resident outcomes.
- Learn about **TMC's collaborative effort** to develop a certified, online respiratory therapy training program.
- Get introduced to the **Registered Respiratory Therapist** leading the program and explore **Carebility**, the innovative LMS delivering the training.
- Gain insight into **TMC's advocacy** efforts to ensure fair PDPM implementation and documentation alignment.

The Rationale Behind PDPM

- **Aligns** payment with resident clinical needs instead of therapy services
- **Focuses** on patient conditions, comorbidities, and clinical services
- **Supports investment** in training and services for advanced clinical care
- **Adopts** a version of CMS's clinically driven payment model

The Value of Respiratory Therapy Training

- **Estimated 45%** of residents have a respiratory condition
- **Nurses** receive advanced training to enhance assessments and skills
- **Improves** quality of care and outcomes
- **Equips** Nurses for acute respiratory conditions

Challenges in the Current Training Model

- **No standardized program**, leading to inconsistent training
- **Logistics** of In-person sessions (Nurse schedules)
- **High turnover** and demanding schedules make ongoing training hard to sustain
- **Limited respiratory therapy education** leads to reduced quality outcomes

TMC's Effort to Address Training Gaps

- **Advocate for standardized** online training (OIG/TX HHS Policy)
- **Advocate for training guidelines** to eliminate risks
- **Aligned training content** with best practices and RAI guidance
- **Partnered with Carebility** to deliver the program online for broad accessibility and sustainability
- **Partnered with a leading** Registered Respiratory Therapist (RRT)
  - Albert Hoak, MBA, LNHA, RCP, RRT

Meet Albert Hoak MBA, LNHA, RCP, RRT

- **35+ years leadership** in Acute Care, LTACH, LTC, & Rehab ops
- **Provides consulting** and nurse education for CMS/PDPM Compliance
- **Skilled in hospital startups**, protocol development
- **Clinical expertise** spans cardiology, respiratory care, diagnostics, etc.
- **Panelist** for today's Q&A
- **Will be featured in Part 2** of this 3-part Texas PDPM LTC series

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Carebility: The AI-Driven Training Platform

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- **Cuts the fluff—**delivers impactful content that reconnects staff to their purpose in care
- **Partnership with TMC and RTT** for the development of an online Respiratory Therapy Training program
- **Contact**: www.carebility.com

Carebility

TMC Advocacy in Action

Texas Medicaid Coalition

TMC Engagement with HHSC & OIG

Respiratory Therapy Training

- Advocating with OIG and HHSC for a standardized online program led by an RRT.

HHSC Collaboration

- Met with Medicaid leadership to discuss PDPM implementation needs and concerns.

PDPM Transition

- Pushed for clear guidance on assessments, level-of-care transitions, and removal of redundant certification.

Policy & Documentation

- Requested updates to cognitive criteria, LTCMI forms, and MDS documentation standards.

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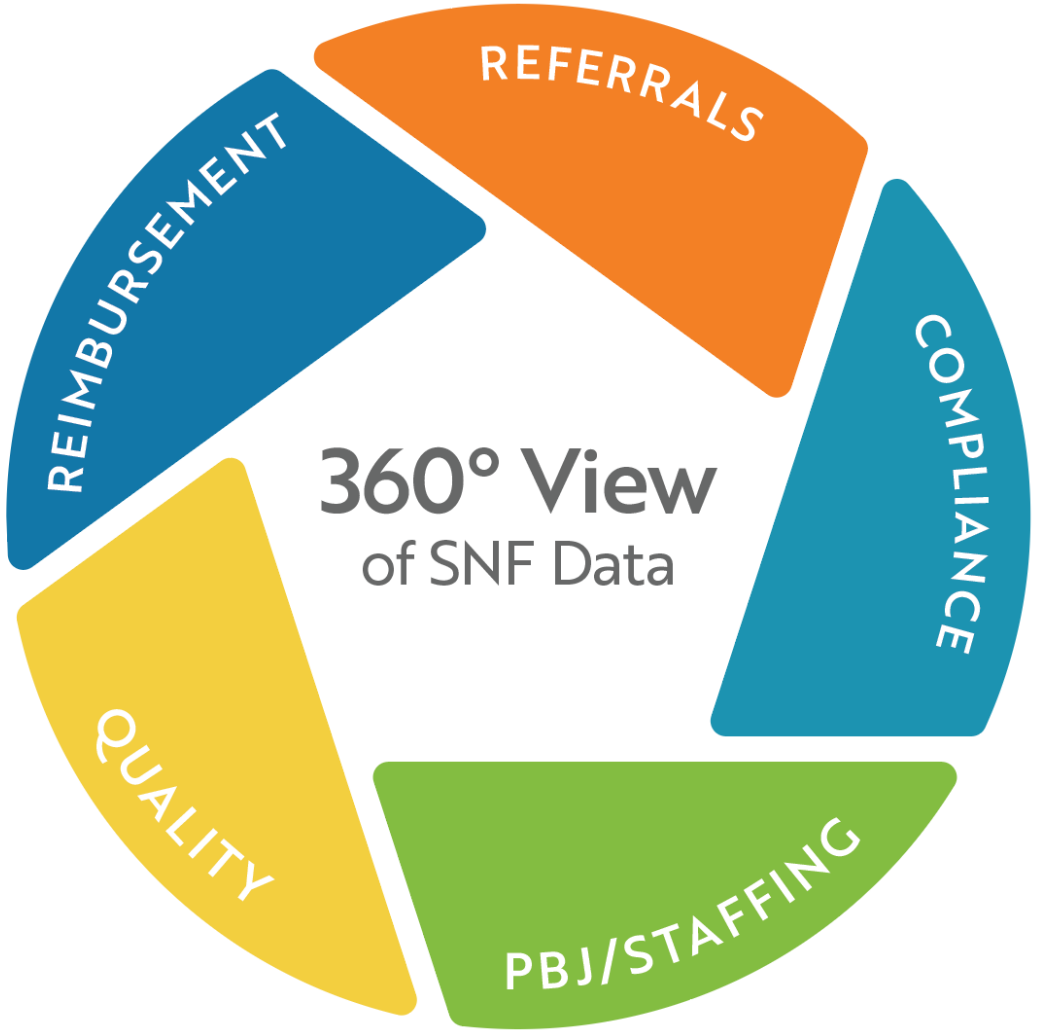

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Simplify Payroll-Based Journal and staffing strategy

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Q&A

What Texas SNFs Need to Know About PDPM LTC

Thanks for joining us!

Recording/slides will be available here:

simple.health/texas-pdpm-ltc-2025